

# MANUFACTURING EXTENSION PARTNERSHIP

## Success Stories from the Field

### Schwan Global Supply Chain

Kentucky Manufacturing Assistance Center

#### Schwan's Global Supply Chain Utilizes Six Sigma to Realize Cost Savings

##### Client Profile:

Schwan's Global Supply Chain produces pizzas sold under the Red Baron®, Freschetta® and Tony's® brand names at its manufacturing facility in Florence, Kentucky. The company employs 200 people.

##### Situation:

After years of fighting waste in their pizza production process, Schwan's Global Supply Chain decided to pursue Six Sigma in order to attack the root cause of their excessive cheese usage. Reducing over usage by just a few percentage points would offer huge savings directed toward the bottom line. The company contacted the Kentucky Manufacturing Assistance Center (KMAC), a NIST MEP network affiliate, for assistance in establishing its Six Sigma methodology.

##### Solution:

KMAC trained several of Schwan's Global Supply Chain employees to be Six Sigma Black Belts. They each had a project assigned to them from the management team. The projects were selected based on criteria established during a KMAC-led deployment session with management. Six Sigma seeks to improve the quality of process outputs by identifying and removing the causes of defects (errors) and minimizing variability in manufacturing and business processes. It uses a set of quality management methods, including statistical methods, and creates a special infrastructure of people within the organization ("Black Belts", "Green Belts", etc.) who are experts in these methods. KMAC mentored the Schwan's Global Supply Chain employees throughout the project. As a result of KMAC's assistance, the company anticipates over \$1million in cost savings, identified new investment opportunities, and improved customer satisfaction.

##### Results:

- \* Realized \$660,000 in cost savings.
- \* Identified \$8 million in new investment opportunities.

##### Testimonial:

"The classroom training accompanied by the in-person mentoring sessions provided by KMAC's Black Belt was extremely valuable for our company. With KMAC's help, we were able to identify and target significant opportunities for improvement using the Six Sigma Define-Measure-Analyze-Improve-Control methodology while integrating it into our current activities. We would definitely recommend KMAC to other Kentucky manufacturers."

Andy Shively, Continuous Improvement Manager